



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	SB0479	Title:	Developmental disability provider rate increases
Primary Sponsor:	Kaufmann, Christine	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$2,597,691	\$2,621,177	\$2,624,750	\$2,624,750
Federal Special Revenue	\$3,453,446	\$3,429,960	\$3,426,387	\$3,426,387
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Federal Special Revenue	\$3,453,446	\$3,429,960	\$3,426,387	\$3,426,387
Net Impact-General Fund Balance:	<u>(\$2,597,691)</u>	<u>(\$2,621,177)</u>	<u>(\$2,624,750)</u>	<u>(\$2,624,750)</u>

Description of fiscal impact:

SB 479 requires an increase of 8.23% over FY 2008 for amounts paid to providers of developmental disabilities program (DDP) providers. The increase is to be maintained at the same level for both FY 2010 and FY 2011.

FISCAL ANALYSIS

Assumptions:

1. The Developmental Disabilities Program (DDP) had \$93,874,564 of client benefit expenditures in FY 2008 paid to providers of community-based services to people with developmental disabilities.
2. An 8.23 % increase to the FY 2008 levels equates to \$7,725,877 (93,874,564 x .0823).

3. The 2007 Legislature appropriated funds for DDP provider rates. The amount appropriated for FY 2009 was \$1,674,740 more than that appropriated for FY 2008. This amount is already included in the Governor's budget as decision package PL 10003 – Annualize DSD Provider Rate Increases.
4. The net increase as a result of this bill is \$6,051,137 (7,725,877 - 1,674,740).
5. The provider rate increase is funded using three different funding mixes, of which are calculated proportionally to the FY 2008 expenditures, as follows:

	Fiscal Year	State %	State Share	Federal %	Federal Share	Total Funds
General Fund Only	FY 2010	100.00%	\$938,060	0.00%	\$0	\$938,060
	FY 2011	100.00%	\$938,060	0.00%	\$0	\$938,060
	FY 2012	100.00%	\$938,060	0.00%	\$0	\$938,060
	FY 2013	100.00%	\$938,060	0.00%	\$0	\$938,060
Mixed Medicaid Admin	FY 2010	17.86%	\$1,339	82.14%	\$6,160	\$7,499
	FY 2011	17.86%	\$1,339	82.14%	\$6,160	\$7,499
	FY 2012	17.86%	\$1,339	82.14%	\$6,160	\$7,499
	FY 2013	17.86%	\$1,339	82.14%	\$6,160	\$7,499
Medicaid Federal Medical Assistance Percentage (FMAP)	FY 2010	32.48%	\$1,658,292	67.52%	\$3,447,286	\$5,105,578
	FY 2011	32.94%	\$1,681,777	67.06%	\$3,423,801	\$5,105,578
	FY 2012	33.01%	\$1,685,351	66.99%	\$3,420,227	\$5,105,578
	FY 2013	33.01%	\$1,685,351	66.99%	\$3,420,227	\$5,105,578
Total	FY 2010		\$2,597,691		\$3,453,446	\$6,051,137
	FY 2011		\$2,621,177		\$3,429,960	\$6,051,137
	FY 2012		\$2,624,750		\$3,426,387	\$6,051,137
	FY 2013		\$2,624,750		\$3,426,387	\$6,051,137

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Benefits	\$6,051,137	\$6,051,137	\$6,051,137	\$6,051,137
TOTAL Expenditures	\$6,051,137	\$6,051,137	\$6,051,137	\$6,051,137
<u>Funding of Expenditures:</u>				
General Fund (01)	\$2,597,691	\$2,621,177	\$2,624,750	\$2,624,750
Federal Special Revenue (03)	\$3,453,446	\$3,429,960	\$3,426,387	\$3,426,387
TOTAL Funding of Exp.	\$6,051,137	\$6,051,137	\$6,051,137	\$6,051,137
<u>Revenues:</u>				
Federal Special Revenue (03)	\$3,453,446	\$3,429,960	\$3,426,387	\$3,426,387
TOTAL Revenues	\$3,453,446	\$3,429,960	\$3,426,387	\$3,426,387
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$2,597,691)	(\$2,621,177)	(\$2,624,750)	(\$2,624,750)

*Sponsor's Initials*_____
*Date*_____
*Budget Director's Initials*_____
Date